

# SENATE BILL 154

C3  
SB 745/10 – FIN

11r0752

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By: **Senators Colburn and Glassman**  
Introduced and read first time: January 24, 2011  
Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Ambulance Service Providers – Assignment of Benefits**

3 FOR the purpose of requiring health insurers, nonprofit health service plans, and  
4 health maintenance organizations to reimburse an ambulance service provider  
5 directly for certain covered services under certain circumstances; providing that  
6 an insured, a subscriber, or an enrollee of certain health insurance carriers may  
7 not be liable to certain ambulance service providers for certain services under  
8 certain circumstances; prohibiting certain ambulance service providers from  
9 taking certain actions against an insured, a subscriber, or an enrollee under  
10 certain circumstances; authorizing the ambulance service providers to collect  
11 certain payments from an insured, a subscriber, or an enrollee under certain  
12 circumstances; providing for the application of this Act; defining certain terms;  
13 and generally relating to reimbursement by insurers, nonprofit health service  
14 plans, and health maintenance organizations for transportation by ambulance.

15 BY adding to  
16 Article – Health – General  
17 Section 19–706(kkkk)  
18 Annotated Code of Maryland  
19 (2009 Replacement Volume and 2010 Supplement)

20 BY adding to  
21 Article – Insurance  
22 Section 15–138  
23 Annotated Code of Maryland  
24 (2006 Replacement Volume and 2010 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
26 MARYLAND, That the Laws of Maryland read as follows:

27 **Article – Health – General**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 19-706.

2 (KKKK) THE PROVISIONS OF § 15-138 OF THE INSURANCE ARTICLE  
3 APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

4 Article - Insurance

5 15-138.

6 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE  
7 MEANINGS INDICATED.

8 (2) "AMBULANCE" MEANS ANY CONVEYANCE DESIGNED AND  
9 CONSTRUCTED OR MODIFIED AND EQUIPPED TO BE USED, MAINTAINED, OR  
10 OPERATED TO TRANSPORT INDIVIDUALS WHO ARE SICK, INJURED, WOUNDED,  
11 OR OTHERWISE INCAPACITATED.

12 (3) "AMBULANCE SERVICE PROVIDER" MEANS A PROVIDER OF  
13 AMBULANCE SERVICES THAT:

14 (I) IS OWNED, OPERATED, OR UNDER THE JURISDICTION OF  
15 A POLITICAL SUBDIVISION OF THE STATE OR A VOLUNTEER FIRE COMPANY OR  
16 VOLUNTEER RESCUE SQUAD; OR

17 (II) HAS CONTRACTED TO PROVIDE AMBULANCE SERVICES  
18 FOR A POLITICAL SUBDIVISION OF THE STATE.

19 (4) "ASSIGNMENT OF BENEFITS" MEANS THE TRANSFER BY AN  
20 INSURED, A SUBSCRIBER, OR AN ENROLLEE OF HEALTH CARE COVERAGE  
21 REIMBURSEMENT BENEFITS OR OTHER RIGHTS UNDER A HEALTH INSURANCE  
22 POLICY OR CONTRACT.

23 (5) "CARRIER" MEANS:

24 (I) AN INSURER THAT PROVIDES BENEFITS ON AN  
25 EXPENSE-INCURRED BASIS;

26 (II) A NONPROFIT HEALTH SERVICE PLAN; OR

27 (III) A HEALTH MAINTENANCE ORGANIZATION.

28 (B) A CARRIER SHALL REIMBURSE AN AMBULANCE SERVICE PROVIDER  
29 THAT OBTAINS AN ASSIGNMENT OF BENEFITS FROM AN INSURED, A  
30 SUBSCRIBER, OR AN ENROLLEE DIRECTLY FOR COVERED SERVICES PROVIDED

1 TO THE INSURED, SUBSCRIBER, ENROLLEE, OR ANY OTHER INDIVIDUAL  
2 COVERED BY A POLICY OR CONTRACT ISSUED BY THE CARRIER.

3 (c) (1) THIS SUBSECTION APPLIES TO AN AMBULANCE SERVICE  
4 PROVIDER THAT RECEIVES DIRECT REIMBURSEMENT UNDER SUBSECTION (B)  
5 OF THIS SECTION.

6 (2) EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS  
7 SUBSECTION, AN INSURED, A SUBSCRIBER, OR AN ENROLLEE MAY NOT BE  
8 LIABLE TO AN AMBULANCE SERVICE PROVIDER FOR COVERED SERVICES.

9 (3) AN AMBULANCE SERVICE PROVIDER OR A REPRESENTATIVE  
10 OF THE AMBULANCE SERVICE PROVIDER MAY NOT:

11 (i) COLLECT OR ATTEMPT TO COLLECT FROM AN INSURED,  
12 A SUBSCRIBER, OR AN ENROLLEE OF A CARRIER ANY MONEY OWED TO THE  
13 AMBULANCE SERVICE PROVIDER BY THE CARRIER FOR COVERED SERVICES  
14 RENDERED TO THE INSURED, SUBSCRIBER, OR ENROLLEE BY THE AMBULANCE  
15 SERVICE PROVIDER; OR

16 (ii) MAINTAIN ANY ACTION AGAINST AN INSURED, A  
17 SUBSCRIBER, OR AN ENROLLEE OF A CARRIER TO COLLECT OR ATTEMPT TO  
18 COLLECT ANY MONEY OWED TO THE AMBULANCE SERVICE PROVIDER BY THE  
19 CARRIER FOR COVERED SERVICES RENDERED TO THE INSURED, SUBSCRIBER,  
20 OR ENROLLEE BY THE AMBULANCE SERVICE PROVIDER.

21 (4) AN AMBULANCE SERVICE PROVIDER OR A REPRESENTATIVE  
22 OF THE AMBULANCE SERVICE PROVIDER MAY COLLECT OR ATTEMPT TO  
23 COLLECT FROM AN INSURED, A SUBSCRIBER, OR AN ENROLLEE OF A CARRIER:

24 (i) ANY COPAYMENT, DEDUCTIBLE, OR COINSURANCE  
25 AMOUNT OWED BY THE INSURED, SUBSCRIBER, OR ENROLLEE FOR COVERED  
26 SERVICES RENDERED TO THE INSURED, SUBSCRIBER, OR ENROLLEE BY THE  
27 AMBULANCE SERVICE PROVIDER;

28 (ii) IF MEDICARE IS THE PRIMARY INSURER AND THE  
29 CARRIER IS THE SECONDARY INSURER, ANY AMOUNT UP TO THE  
30 MEDICARE-APPROVED OR LIMITING AMOUNT, AS SPECIFIED UNDER THE  
31 FEDERAL SOCIAL SECURITY ACT, THAT IS NOT OWED TO THE AMBULANCE  
32 SERVICE PROVIDER BY MEDICARE OR THE CARRIER AFTER COORDINATION OF  
33 BENEFITS HAS BEEN COMPLETED, FOR MEDICARE-COVERED SERVICES  
34 RENDERED TO THE INSURED, SUBSCRIBER, OR ENROLLEE BY THE AMBULANCE  
35 SERVICE PROVIDER; AND

1                                   **(III) ANY PAYMENT OR CHARGE FOR SERVICES THAT ARE**  
2 **NOT COVERED SERVICES.**

3           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
4 policies, contracts, and health benefit plans issued, delivered, or renewed in the State  
5 on or after October 1, 2011.

6           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
7 October 1, 2011.